

ECON 199

Principles of Economics

Syllabus

Spring 2018
SC 150
MWF 1:30 – 2:35 PM
TA hours offered

Laura Grube
Campbell Hall, basement
Office hours Tues 1- 2 PM;
Fri: 2:45 – 3:45 PM

1. Course Description

Economics is an exciting discipline. As economists, we get to ask the big questions, such as, what are the sources of economic prosperity? Why are some countries rich and others desperately poor? As we seek to answer these questions we come to understand how bad ideas and bad economics can help explain disasters in human history, including Soviet Russia and Zimbabwe. We can also begin to discuss fiscal and monetary policy in our own country and ask questions about what these policies attempt to achieve and why there may be limitations to what they can achieve.

This course

In order to ask the exciting and difficult questions and consider possible explanations, one must know some economics. This is where you start.

This course is designed to introduce students to both microeconomics and macroeconomics. More fundamentally, I hope to teach students “the economic way of thinking.” John Maynard Keynes has stated, “The Theory of Economics does not furnish a body of settled conclusions immediately applicable to policy. It is a method rather than a doctrine, an apparatus of mind, a technique of thinking which helps its possessor to draw correct conclusions.”

This “apparatus of the mind” or device, which is the economic way of thinking, points us to the individual as the foundation of our analysis.

There are many topics to consider (see below for course outline). For students who only take this economics course, I hope that they begin to grasp the economic way of thinking, become familiar with the language of economics, and have some basic tools in their belt so that they may engage economic ideas. But because all of you will take another economics course during your time at Beloit (you’ll be hooked!), I hope that you achieve the three things mentioned above and are prepared for your upper-level courses.

Learning goals:

- A. Students will have knowledge of supply and demand analysis, consumer theory, producer theory, and basic macroeconomic concepts.
- B. Students will be more familiar with economic terms and language.
- C. Students will develop foundations for the economic way of thinking.
- D. Students will be able to apply microeconomic theory (e.g. supply and demand, elements from market structure, etc.) to new contexts.

2. Required Texts

This semester I'm asking that students purchase a digital copy of the book and the accompanying problem sets on **LaunchPad**.

If you would like, you can purchase a paper copy of the book as well:

Cowen, Tyler and Alex Tabarrok. *Modern Principles of Economics*. Second edition.

Throughout the semester I will post additional readings on **Moodle**.

3. Evaluation

| | |
|--|---|
| HW | 25% |
| Learning Curve (LC) 5%, LaunchPad (LP) chap questions 10%, Study guides* 10% | |
| Client Project | 5% |
| Exam #1 | 17.5% |
| Exam #2 | 17.5% |
| Exam #3 | 17.5% |
| Exam #4 | 17.5% |
| Exam #5 (optional) | 17.5%, replacing lowest score from above four exams |

Study guides are graded as zero (0%), check-minus (60%), check (85%), or check-plus (100%).

4. Course Outline

Topics:

1. The economic way of thinking
2. Trade and comparative advantage
3. Supply and demand
4. Consumer theory
5. Producer theory
6. Market structures
7. Macroeconomics

The reading assignment and additional assignment are assigned the day they are listed with and **due the following class period** (unless otherwise indicated).

| Week | Day | Date | Topic for the Day | Reading assignment | Additional assignment |
|------|-----|------------------|---|---|--|
| 1 | 1 | Mon., Jan. 22 | Introduction: what is economics? | Heyne et al., chap 1 <i>(on Moodle)</i> | 3 short podcasts <i>(on Moodle)</i> |
| | 2 | Wed., Jan. 24 | The Economic Way of Thinking: Heyne chap 1 | C&T chap 1 | Math review and chap 1 questions <i>(LP)</i> |
| | 3 | Fri., Jan. 26 | The Economic Way of Thinking: C&T chap 1 | Smith, book 1, chap 2 and Smith, book 1, chap 1 <i>(on Moodle)</i> | |
| 2 | 4 | Mon., Jan. 29 | Trade and Comparative Advantage: Smith and PPFs | C&T chap 2 <i>(with LC)</i> | |
| | 5 | Wed., Jan. 31 | Trade and Comparative Advantage: C&T chap 2 | Review C&T chap 2 as needed | Practice questions, Chap 2 <i>(handout from class, on Moodle)</i> |
| | 6 | Fri., Feb. 2 | Trade and Comparative Advantage | Review C&T chap 2 as needed | Chap 2 questions <i>(LP)</i> , Econtalk Podcast <i>(on Moodle)</i> |
| 3 | 7 | Mon., Feb. 5 | Trade and Comparative Advantage: Econtalk | C&T chap 3 <i>(with LC)</i> | Study Guide for Exam 1 <i>(on Moodle)</i> – Due Monday, February 12 |

| | | | | | |
|----------------------------------|----|------------------|--|---|--|
| | 8 | Wed., Feb. 7 | Demand and Supply, C&T, chap 3 | C&T chap 4, sections 4.1, 4.2, 4.4, and 4.5 (with LC) | |
| | 9 | Fri., Feb. 9 | Problem sets, Demand, Supply, and Equilibrium (C&T chap 3 and 4) & Exam format | | Chap 3 questions (LP) and Chap 4 questions (LP) |
| 4 | 10 | Mon., Feb. 12 | Study guide due, Review | | |
| | 11 | Wed., Feb. 14 | Exam #1 | | |
| | | Fri., Feb. 16 | Econ Day, no class | | |
| 5 | 12 | Mon., Feb. 19 | TBD | C&T chap 8 (with LC) | |
| | 13 | Wed., Feb. 21 | Price ceilings and floors, C&T chap 8 | | Chap 8 questions (LP) |
| | 14 | Fri., Feb. 23 | Price ceilings and floors, start elasticity of demand | C&T chap 5 (no LC), sections 5.1 and 5.2 | Finish handout if not completed in class |
| 6 | 15 | Mon., Feb. 26 | Elasticity of demand, C&T chap 5 | C&T chap 6 (with LC) | Chap 5 questions (LP) |
| | 16 | Wed., Feb. 28 | Taxes and subsidies, C&T chap 6 | | Chap 6 questions (LP) |
| | 17 | Fri., Mar. 2 | Taxes and subsidies, C&T chap 6 | C&T chap 10 | Study Guide for Exam 2 (on Moodle) – Due Wednesday, March 7 |
| 7 | 18 | Mon., Mar. 5 | Externalities, C&T chap 10 | | |
| | 19 | Wed., Mar. 7 | Study guide is due, Review | | |
| | 20 | Fri., Mar. 9 | Exam #2 | Gwartney, chap 21 | |
| Spring Break, March 10-18 | | | | | |

| | | | | | |
|----|----|------------------|---|------------------------------------|--|
| | | | | | |
| 8 | 21 | Mon., Mar. 19 | Producer Theory | Review Gwartney, chap 21 | |
| | 22 | Wed., Mar. 21 | Producer Theory | | |
| | | Fri., Mar. 23 | No class, Advising Practicum Day | C&T chap 11 (<i>with LC</i>) | |
| 9 | 23 | Mon., Mar. 26 | Market structure: C&T chap 11, perfect competition | C&T chap 13 (<i>with LC</i>) | Chap 11 questions (<i>LP</i>) |
| | 24 | Wed., Mar. 28 | Market structure: C&T chap 13, monopoly | C&T chap 15 (<i>no LC</i>) | Chap 13 questions (<i>LP</i>) |
| | 25 | Fri., Mar. 30 | Market structure: C&T chap 15, monopolistic competition and oligopoly | | |
| 10 | 26 | Mon., Apr. 2 | TBD – catch up? | | Study Guide for Exam 3 (<i>on Moodle</i>) – Due Friday, April 6 |
| | 27 | Wed., Apr. 4 | Market structure presentations | | |
| | 28 | Fri., Apr. 6 | Market structure presentations – Study guide is due | C&T chap 14 (<i>no LC</i>) | |
| 11 | 29 | Mon., Apr. 9 | Price discrimination, C&T chap 14 | | |
| | 30 | Wed., Apr. 11 | Exam #3 | C&T chap 18 (<i>with LC</i>) | |
| | 31 | Fri., Apr. 13 | Labor markets, C&T chap 18 | C&T chap 30 (<i>with LC</i>) | |
| 12 | 32 | Mon., Apr. 16 | Measures of labor in the economy, C&T chap 30 | C&T chap 26 (<i>no LC</i>) | |
| | 33 | Wed., Apr. 18 | GDP, C&T chap 26 | | |

| | | | | | |
|----|----|---------------|--------------------------------|-------------|--|
| | 34 | Fri., Apr. 20 | Business fluctuations | C&T chap 37 | |
| 13 | 35 | Mon., Apr. 23 | Fiscal Policy, chap 37 | | |
| | | Wed., Apr. 25 | No class, Spring Day | | |
| | 36 | Fri., Apr. 27 | Fiscal Policy (continued) | C&T chap 35 | |
| 14 | 37 | Mon., Apr. 30 | Monetary Policy, C&T chap 35 | | Study Guide for Exam 4 (<i>on Moodle</i>) – Due Friday, May 4 |
| | 38 | Wed., May 2 | Monetary Policy (continued) | | |
| | 39 | Fri., May 4 | Study guide is due, TBD | | |
| 15 | 40 | Mon., May 7 | TBD | | |
| | 41 | Wed., May 9 | Exam #4 | | |

See final exam schedule for final exam date and time.

5. Grading Policy

| | | | | | | | |
|----|-------|-------|-------|-------|-------|-------|-------|
| | B+ | 88-89 | C+ | 78-79 | D+ | 68-69 | |
| A | 93+ | B | 83-87 | C | 73-77 | D | 63-67 |
| A- | 90-92 | B- | 80-82 | C- | 70-72 | F | 0-62 |

All grades are final.

Please do not use your laptop or phone during class. If you believe that not being able to type your notes in real time will be a detriment to your learning, please speak to me individually, and we can discuss the issue.

There are teaching assistants for the course. They are: Shivangi Ambardar (ambardars@beloit.edu), Web Arnold (arnoldtw@beloit.edu), and Sam Cowan (cowansc@beloit.edu).

They will hold regular TA hours in Kemper lab (Campbell Hall). TA hours are Sundays, 1-3 PM and 7-9 PM, Tuesdays 7-9 PM and Thursdays 7-9 PM.

6. Homework, Exams, and Extra Credit

Homework

There's homework?! Yes, I have homework assignments throughout the course.

The homework takes three forms: Learning Curve assignments which are to be completed along with the reading, LaunchPad chapter homework, and study guides. See section three for the breakdown of how these contribute to your homework grade and overall grade.

Learning Curve assignments are to be completed on your own. These provide questions based on what you know and do not know (it is adaptive).

Chapter questions and study guides may be completed with others. For chapter questions, please note that the order of the questions may be different for different people. For the study guides, please do not copy answers (for short answer questions, there should be some variation from person to person).

Exams

There are four exams in this course, and the final exam (during the designated exam period) is optional. If you elect to take the final exam (exam 5), then I will replace your lowest exam grade with the grade you receive on the final.

As we near an exam, I will provide an overview of what will be covered on the exam. In general, I suggest that students do the following to prepare for my exams:

- Review all problem sets and return to questions that you may not have fully understood
- Review notes
- In the textbook, look over questions at the end of chapters. Be comfortable with vocabulary
- Study with classmates and discuss topics covered. Practice explaining the material to a classmate in order to test your own understanding

The dates for exams are in the course outline and may change depending on material covered. Students must take the exams on the day they are given. **If you are unable to take an exam on**

the day that it is scheduled, you must notify me 2 days in advance. Notification any later will result in a zero on the exam.

Extra Credit

There will be a few opportunities for extra credit this semester. Extra credit will be applied to exam scores. I offer two points extra credit to teams that win jeopardy on review day. I may offer four points extra credit to attend a lecture and write a 250 word summary. These are the only two ways to earn extra credit.

7. Academic Honesty

Please see the College's policy on academic honesty. Cheating and/or plagiarism will not be tolerated. **Cheating on an exam will result in a zero.**

8. Diversity and inclusivity in liberal education

We have an obligation to show respect and engage with people from various backgrounds, recognizing that they offer valuable perspectives and may hold beliefs different from our own.

The College has defined inclusivity as “a demonstration of equity and social justice through awareness, understanding, and respect for the differences in identity, culture, background, experience, and socialization, and the ways in which these forms of difference impact how we live and learn.” Further, the policy states, “Inclusivity requires equitable, institution-wide representation and access to resources. In practice, this manifests itself by each individual being aware of, committed to, and responsible for the well-being and care of all students, staff, and faculty.”

9. Disability Statement

If you have a disability and need accommodations, contact Learning Enrichment and Disability Services located on 2nd floor Pearsons (north side), [608-363-2572](tel:608-363-2572), learning@beloit.edu or make an appointment through joydeleon.youcanbook.me. For accommodations in my class, you must bring me an Access Letter from the Director of that office and then we will discuss how to meet your needs. Contact that office promptly; accommodations are not retroactive.

Free peer tutoring is available for most classes. For a tutor, apply by going to your Portal, to the Student Life tab, and then apply using the Tutoring Forms (on left) and Request a Tutor. If you have any questions, contact Learning Enrichment and Disability Services.